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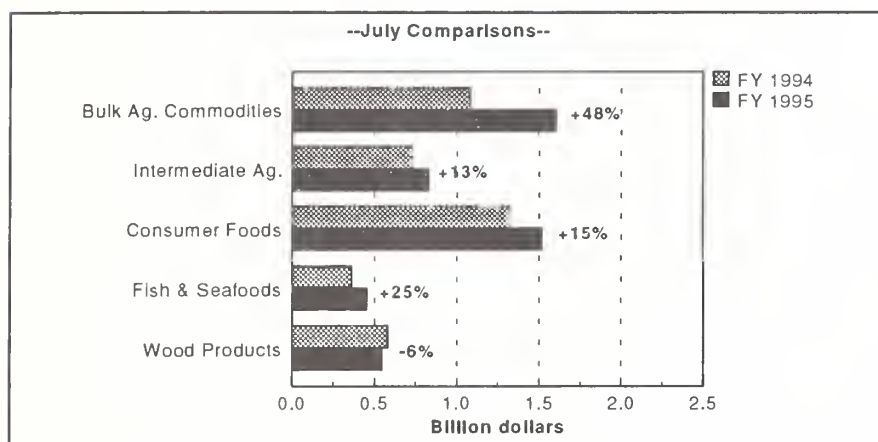
Circular Series

ATH 10 95
October 1995

Agricultural Trade Highlights

Exports Rise 21 Percent in July

New Records Set for Year-to-Date Exports



Trade statistics released on September 20 confirm that exports of U.S. *agricultural, fish and forest products* continue to rise at a record pace. In July, the value of their combined exports totaled \$5 billion, or 21 percent higher than the July 1994 level. Agricultural exports alone totaled \$4 billion, up 26 percent from year-ago levels, with all three categories showing strong increases. Bucking its normal summertime lull, bulk exports continued strong in July and were 48 percent higher than last year's level. Fish and forest product exports totaled \$1 billion in July, up 6 percent over the same month last year.

With two months remaining in fiscal 1995, the two main aggregates -- agricultural products and agricultural, fish and forest products -- have already set new all time highs. July's performance raises year-to-date totals for agricultural, fish and forest product exports to \$53.7 billion, up 21 percent from the same period last year and \$375 million ahead of the previous record set in 1994. Agricultural products reached \$45 billion, up 24 percent from the same period last year and \$1.2 billion ahead of the previous record set in 1980. Fish and forest

product exports have risen 9 percent.

At \$1.6 billion in July, U.S. exports of *bulk commodities* were up 48 percent over the same month last year. Six of the nine commodity groups rose with coarse grains recording the largest gain, up \$327 million or 106 percent from July 1994. This reflects sharply higher corn sales to several countries, particularly Korea. Bulk commodity exports totaled \$20.2 billion during the first ten months of fiscal 1995, up 32 percent from last year. All commodity groups have registered gains and cotton exports have already reached a new all-time high of nearly \$3.3 billion.

U.S. exports of *intermediate products* reached \$833 million in July, up 13 percent from the same month last year. Nine of the 11 product groups rose with the largest gains recorded by animal fats and hides and skins. During the first ten months of fiscal 1995, intermediate product exports were up 21 percent to \$9.5 billion, representing a new record high.

U.S. exports of *consumer-oriented products* rose in July with sales totaling \$1.5 billion, 15 percent above the same month last year. Export

value rose in 8 of 15 product groups. July's performance leaves consumer food exports at \$15.4 billion for the first 10 months of fiscal 1995, up 16 percent from the same period last year and headed for a new high of \$18.5 billion. Red meat, poultry meat, fresh vegetables, juices, and wine and beer have already established new records.

At \$458 million in July, U.S. *edible fish and seafood* exports rose 25 percent over the same month last year. Although gains were broad-based, whole and eviscerated salmon accounted for two-thirds of the entire gain. U.S. fish and seafood exports finished the first ten months of fiscal 1995 at \$2.5 billion, up 12 percent from the same period last year.

U.S. *forest product* exports totaled \$553 million in July, down 6 percent from the same month last year. The decline was entirely due to lower log sales which offset gains in other product groups. During the first ten months of fiscal 1995, forest product exports were up 7 percent over year earlier levels at \$6.2 billion.

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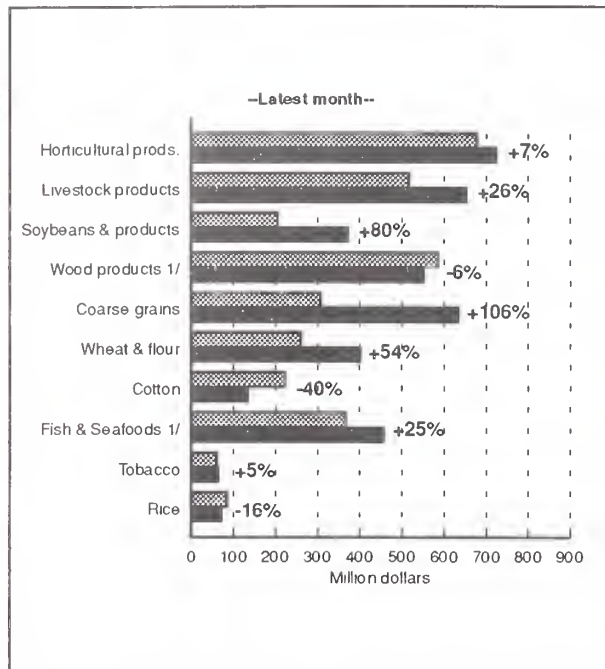
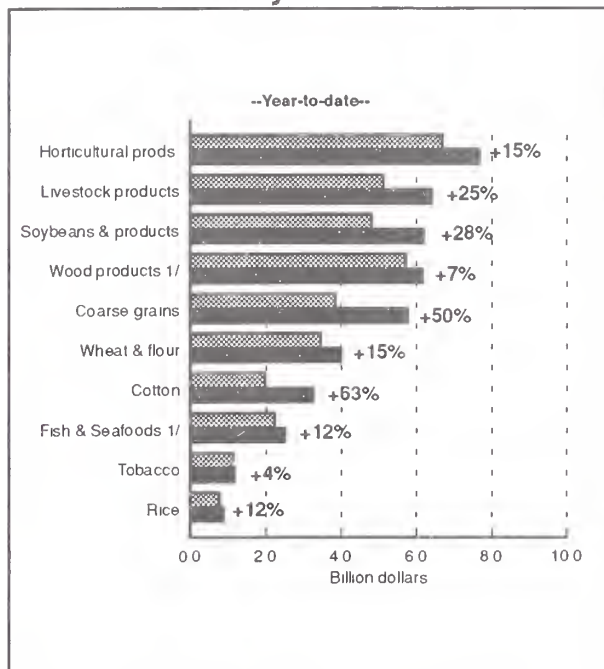
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U.S. Agricultural, Fish and Wood Export Summaries

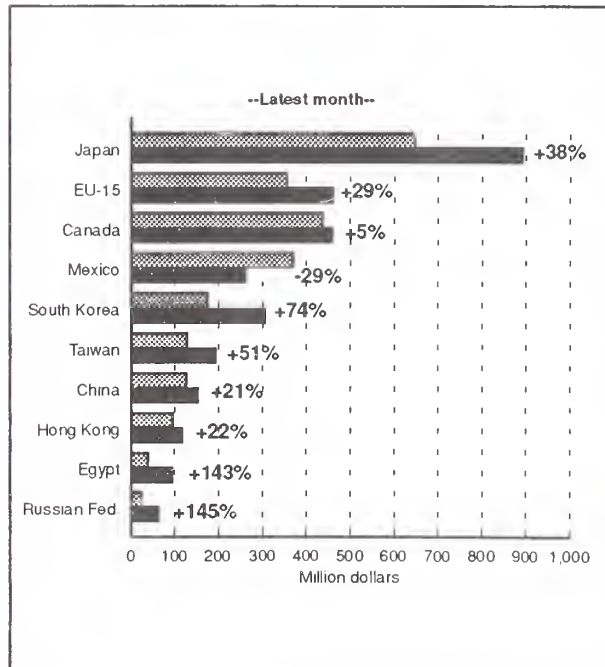
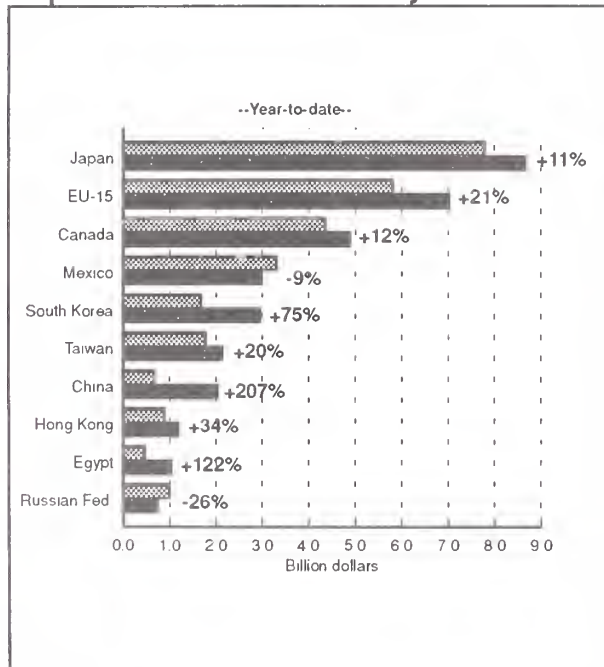
October-July and Latest Month Comparisons

■ FY '94 ■ FY '95

Product Summary



Top Ten Markets Summary



Note: Percentages are computed as the change from a year ago.

Consumer Food Highlights

U.S. consumer food exports totaled \$10.4 billion during the first seven months of calendar 1995, up 13.7 percent over the same period a year earlier. Although nearly all of the 16 consumer food categories are recording gains over a year earlier, exceptionally strong performances are being turned in by red meat, poultry meat, fresh vegetables, processed fruit and vegetables, and fruit and vegetable juices.

Export value for U.S. *red meat (fresh, frozen, and chilled)* reached \$2.3 billion in the first seven months of 1995, up nearly 26 percent over the same period in 1994. Shipments to Japan (\$1.44 billion) and Korea (\$202 million) are running markedly ahead of last year's pace. Exports to the Russian Federation already have achieved a record valuation of \$98 million compared to the previous annual record of \$30.9 million set in 1994. Russian officials indicate that livestock production meets only 70 percent of domestic demand and the country will rely on imports to fully satisfy local requirements. Exports to Mexico during the first seven months of 1995 plummeted to \$110 million from \$229 million a year ago. A recovery in sales, however, appears likely. Mexican beef supplies are projected to drop sharply in the months ahead which should create sales opportunities.

Fresh fruit export value during the January to July 1995 totaled \$1.17 billion, up 5.4 percent over the same period in 1994. The improved performance largely is attributed to an increase in citrus fruit shipments which offset a drop in deciduous fruit value. Citrus sales have benefitted from increased exportable supplies of both oranges and grapefruit and a strong Japanese import demand. Export value for fresh deciduous fruit fell due to a marked decline in sales of apples and pears to Mexico. Shipments to Canada, our most important export market for

fresh fruit, are running essentially unchanged from last year.

Exports of *processed fruit and vegetables* during the first seven months of 1995 reached \$1.08 billion, 17.6 percent ahead of last year. Processed vegetables account for two-thirds of total export value from this consumer foods category, dried fruit roughly one-fifth, and other processed fruit the remainder. A strong export demand for frozen french fries, canned and frozen sweet corn, and processed tomato products is responsible for the good showing. Sales to Japan, Canada, and the EU-15 are up sharply.

Poultry meat exports continue to move at an aggressive pace. Export value during the first seven months of 1995 totaled \$1.06 billion, up 29 percent over 1994. Shipments to the Russian Federation hit \$287 million, nearly equaling the \$310 million annual record set in calendar 1994. Russian poultry meat production fell 8 percent in 1994 and is projected to fall an additional 5 percent in 1995. Export sales to Hong Kong also are up markedly, reaching \$230 million this year. January to July shipments to South Africa hit a record \$24.9 million compared to \$2.4 million for entire calendar 1994.

Export value for *pet food (dog and cat food)* reached \$356 million during the first seven months of 1995, up 12 percent over 1994. Sales growth in the Japanese market continues to offset a

lackluster performance in West European markets along with a sharp drop in shipments to Mexico.

U.S. *fresh vegetable* exports are dominated by sales to Canada and Japan, together accounting for 80 percent of total export value. Shipments to these two destinations are up approximately 20 percent this year, pushing total export value to \$724 million compared to \$624 million in 1994. The overall picture would be even brighter if not for a slump in sales to Mexico, our third most important market. Exports to Mexico this year total only \$6.9 million, down 56 percent from 1994. The devaluation of the peso in December and a decline in consumer purchasing power is hurting sales.

Exports of *nursery products* during the first seven months of 1994 is estimated at \$119.2 million, down 2 percent from 1994. The decline results from smaller shipments to both Canada and Western Europe.

As was true for *nursery products*, *snack food* shipments are not keeping pace with last year. Export value fell to \$545 million, down from \$580 million during January to July 1994. A drop in exports to Mexico and the Russian Federation factors heavily into this year's picture. The value of shipments to Canada, our most important export market, however, is running 10 percent ahead of last year's record pace.

Export value for *wine and beer* during January to July 1995 is estimated at \$358 million, up 18 percent over 1994. Strong sales growth is evident in the U.K., Hong Kong, Taiwan, and Brazil. A shift toward higher value varietal wines is evident in our export sales.

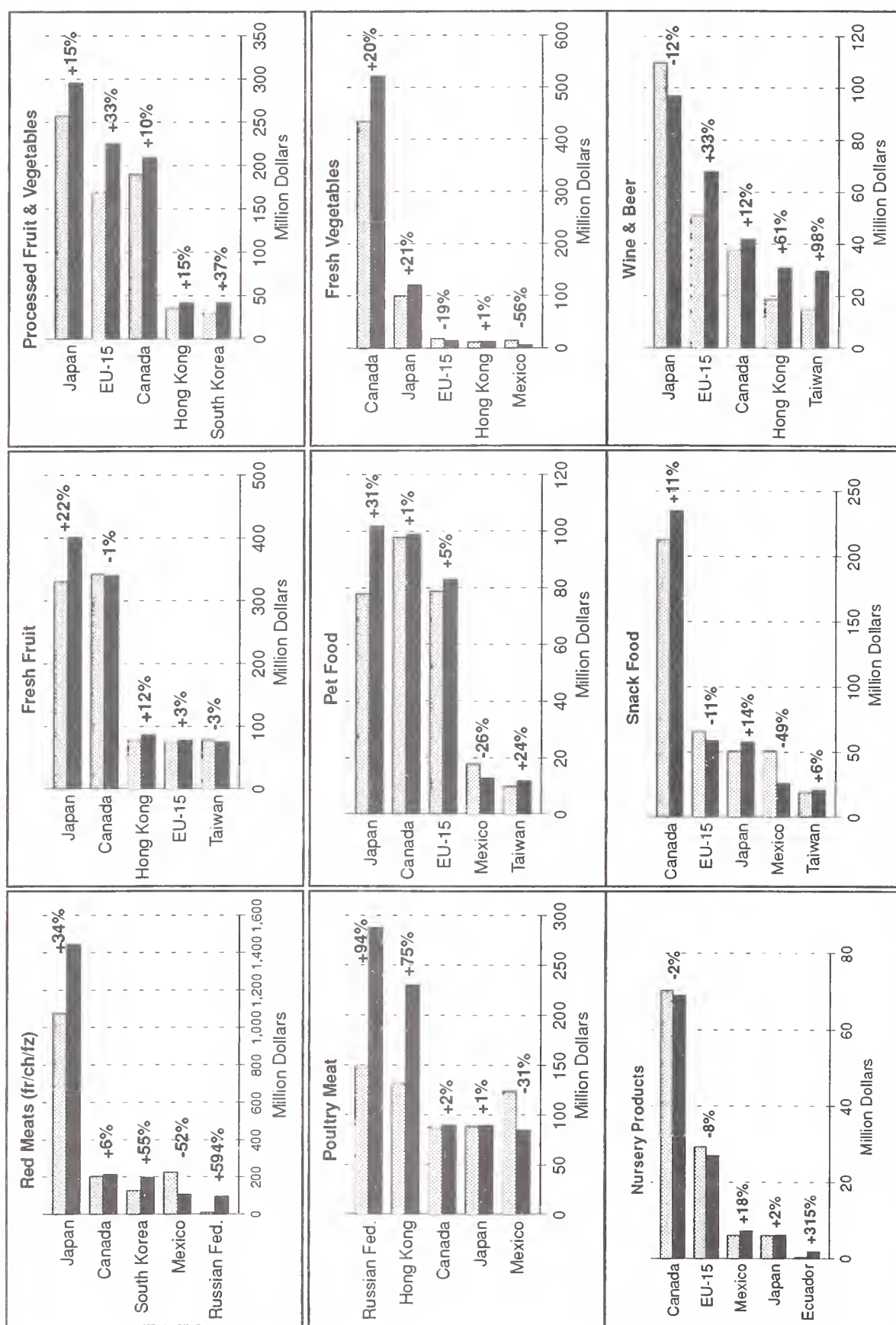
For more information, contact David Rosenbloom at (202) 690-1198.

Top Five Markets for Selected U.S. Consumer Foods

January Through July Comparisons

CY '94

CY '95



Notes: Percentages are computed as the change from 1994 to 1995. Countries are ranked from highest to lowest based on CY 1995 exports.

Country Spotlight: Indonesia

Agricultural exports to Indonesia, the world's fourth most populous country with 200 million people, are increasing dramatically. The political stability that has characterized the last quarter century has provided the platform for Indonesia's impressive economic takeoff. Indonesia's recent burst of economic growth has been fueled largely by consumer spending, particularly by a rapidly growing middle class. This middle class exhibits a strong appetite for imported consumer goods, especially processed food products. As part of the Uruguay Round Agreement, Indonesia is making significant progress in liberalizing its trade regime. U.S. agricultural sales are benefitting from the improved trade picture, with U.S. exporters taking full advantage of the favorable image enjoyed by American-made goods and ongoing promotional activities.

Indonesia is an economic success story. In 1967, when current President Soeharto took power, it was one of the world's poorest countries, with a per capita GNP of \$70, half that of India and Bangladesh. Although Indonesia continues to be a poor country, per capita GNP now reaches \$900. Life expectancy has risen dramatically, from age 41 in 1965 to age 61 in 1990, while infant mortality and illiteracy rates have plummeted.

Real economic growth has averaged close to 7 percent per year over the last five years. Through conservative monetary and fiscal policies, the government has held inflation within the 5-10 percent range.

Prospects for continued growth are good. Major government and private sector projects are underway which will alleviate infrastructure shortages, particularly in telecommunications, electric power, and transportation.

Overall Agricultural Trade

According to the Government of Indonesia (GOI) trade data, Indonesia's agricultural trade in 1993 reached \$13.8 billion, with imports of \$3.1 billion and exports at \$10.7 billion. Cotton, wheat, soybeans, coarse grains, animal feedstuffs and selected high value food products are Indonesia's top agricultural imports, while wood products, rubber, fish products, palm oil, coffee, tea and

spices are Indonesia's top agricultural exports.

U.S Trade Trends

U.S. Census data shows that agricultural trade (including fish and forestry products) between the United States and Indonesia in 1994 reached a record \$2.17 billion; exports from the United States to Indonesia totaled a record \$504 million while U.S. imports from Indonesia equaled \$1.67 billion. Despite the growth in export value recorded in recent years, our agricultural trade deficit with Indonesia has grown from \$900 million in 1990 to \$1.16 billion in 1994.

The United States held a 15.4 percent market share of Indonesia's agricultural imports in 1993, up from 14.6 percent in 1992.

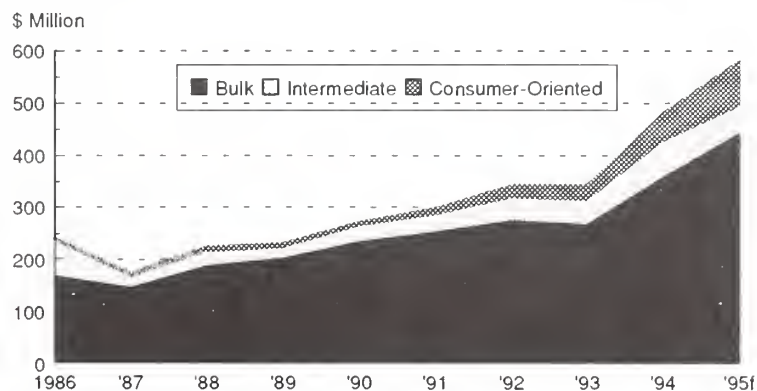
About 15 percent of Indonesia's total agricultural import value consists of consumer-ready food products. The United States enjoys a commanding position in many categories of consumer-ready food products in this rapidly growing market. Items playing a prominent role in our export sales to Indonesia include: apples, grapes, oranges, fresh and frozen meat and poultry, french fries, tree nuts, milk and milk products and snack foods.

Importers and distributors report that U.S. food products enjoy a strong positive reputation in Indonesia. Consumer confidence in the quality and value of U.S. products is a major reason for our strong growth in sales. For much of the high-end market, U.S. products are synonymous with best quality obtainable. Moreover, U.S. suppliers, brokers and consolidators are noted for reliability backed by customer service. Import demand for U.S. food products is further bolstered by ongoing promotional activities coordinated by USDA's Office of Agricultural Affairs in Jakarta.

Indonesia's Middle Class Spurs Imports

Economic growth in Indonesia is being

U.S. Exports to Indonesia Approach \$600 Million in 1995
Bulk and Consumer-Oriented Foods Dominate Growth



Note: Exports exclude fish & forest products, 1995 figures are forecast

spurred largely by middle class consumer spending. Although no precise figures are available, prominent Jakarta economists estimate that about 15 to 18 million Indonesians enjoy an annual household income of \$5,000 which is generally viewed as the bottom income rung of Indonesia's middle class. This group is expanding at an annual rate of 18 percent. A continuation of this trend means that Indonesia's middle class will exceed 50 million people by the year 2002.

Indonesia's middle class is exhibiting a strong appetite for imported consumer goods, especially processed food products. Between 1990 and 1994, the value of all imported consumer goods rose 63 percent, and the value of imported food and beverages increased 254 percent.

Imports of bulk agricultural products also are increasing due in large part to population growth. Efforts by the Indonesian Government to improve diets is supporting a growing demand for inputs into Indonesia's livestock and poultry industries. A strong demand for cotton imports is being generated by the expansion of the local textile industry. The total value of U.S. exports of bulk agricultural products to Indonesia during calendar 1995 is forecast at a record \$440 million.

Trade policy

Indonesia has liberalized its import regime in recent years. However, until the Uruguay Round Agreement, Indonesia had continued to maintain substantial non-tariff barriers, high tariffs and surcharges on agricultural imports in a systematic effort to restrict market access for many imported food products. Under the Uruguay Round, Indonesia agreed to remove all non-tariff quantitative restrictions on agricultural imports and bound most of the final tariffs in the 27 percent to 60 percent range. The exceptions were rice, some dairy items and soybean meal.

For rice, there will be a tariff quota of

70,000 metric tons (milled) at an in-quota tariff rate of 90 percent ad valorem. Beyond that level, only the government procurement agency, BULOG, can import rice.

For milk and cream, the tariff quota will be 414,700 metric tons (fresh milk equivalent) at an in-quota tariff rate of 40 percent.

For soybean meal, Indonesia has agreed to eliminate its current blending requirement within three years and bind the final tariff at 30 percent. This may result in a large export opportunity for U.S. oilseeds.

Pre-Shipment Clearances and Duty Assessment

In response to grave concern about the effectiveness of the Customs Service, the Indonesian government decreed in 1985 that all imports valued at more than US\$ 5,000 must bear a verification report issued by the Swiss inspection firm Societe Generale de Surveillance (SGS) indicating the type of good, quality, quantity, and applied cost. These inspections are carried out at the point of exit of all shipments to Indonesia. Duties are then calculated based on the effective price contained in the examination report and are assessed on CIF value.

SGS' agreement with the Indonesian government provides that the customs valuation will be based on prevailing market prices. However, the government has stipulated set values, which may be significantly above market prices.

Many warehouses in Singapore are set up to fill mixed containers of food products with reported values less than US\$ 5,000. Buying from companies in Singapore is also attractive because of the short shipping time.

In 1991 the government and SGS formed PT Surveyor Indonesia (PT SI), which is taking over the inspection role. SGS holds an interest in PT SI and continues to provide personnel and

services. Some economic advisors and business representatives have expressed concern that the reversion to PT SI and greater direct involvement by Customs will increase the time and expense of getting shipments into the country. It is uncertain if this new company will maintain the same level of consistency and impartiality performed by SGS. Some traders fear that if Surveyor Indonesia begins to interpret policy and regulations on behalf of the GOI, trade restrictions may be created.

Infrastructure and Distribution Channels

Almost all consumer-ready food products are imported by firms listed as licensed general importers. Wines and spirits and other regulated food items can only be imported through two trading companies, Tjipta Niaga and Rajawali Nusantara Indonesia. Large entities, such as supermarket chains, have their own importing and distribution affiliates and also buy from independent importers. Hotels and upmarket independent restaurants source supplies across many different importers.

Licensed importers must file regular import applications with the Office of Animal and Plant Quarantine, a branch of the Department of Agriculture. This list is usually pro-forma but in some cases, e.g., meats, delays can arise. Estimated quantity to be imported is an element of the import application form. The importance of this regulation is illustrated by continued issues over imported meat and offals. For meat and poultry, it is important to deal with experienced importers who are conversant with SGS and GOI procedures.

Handling of consumer-ready food products varies widely. For example, the tremendous boost in deciduous fresh fruit imports created demand for cold storage space. After fresh fruits were banned in 1983, most of the excess capacity of refrigerated storage was allocated to other uses. Some of the higher volume food importers and

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supermarkets have fleets of refrigerator trucks and large, modern cold storage in the major markets such as Jakarta and Bali. Several private groups have plans to build modern cold storage facilities capable of handling a large variety of products that would meet the expanding needs of several importers. However, outside Jakarta, the market for imported perishables is constrained by the limited number of such facilities.

The trade in fresh fruit differs from that of other consumer-ready food products. Fresh fruit imports are dominated by trading houses that specialize in fruit, whereas other food items are widely traded. Fresh fruit will change hands several times before reaching the consumer, usually at curbside fruit stands.

Promising Products

Cotton: Indonesia offers excellent market opportunities for U.S. cotton as the domestic textile industry continues to expand. Textile exports continue to grow as Indonesia is constantly making an effort to find new markets for its textiles to both quota and non-quota countries. Steady economic growth also will encourage larger domestic consumption of cotton and cotton-blend products. U.S. cotton is well-known for its quality, dependable supply and trustworthy grading system. U.S. cotton export value to Indonesia during the first seven months of calendar 1995 is running 74 percent over 1994. Exports for entire calendar 1995 are forecast at a record \$300 million

Some Indonesian importers and spinners have used the GSM-102 credit guarantee program for importing U.S. cotton. Maintaining close relationships with all textile associations and major textile mills in Indonesia will improve U.S. cotton share in this market.

Soybeans: Indonesia imports quality soybeans for its soybean products for human consumption, i.e. tofu and tempe. The United States and the Peoples Republic of China (PRC) are the primary sources of soybeans to

Indonesia. The amounts imported from each of these countries depend on a variety of factors: 1) price; 2) availability; 3) delivery period; 4) size of vessel; and 5) quality. Soybeans from the PRC are usually less expensive, can be delivered in 5-7 days, and can be loaded on smaller vessels. On the other hand, U.S. soybeans are of better quality and greater abundance as the PRC's domestic demand for soybeans is increasing. BULOG, the National Logistics Agency that imports soybeans, favors using the GSM-102 program for its purchases. The GOI reportedly is considering several reductions in non-tariff barriers that would open the market for U.S. soybeans for animal feed.

Wheat: Indonesia currently imports 2.8 million tons of wheat to supply the country's flour milling industry and the industry is expanding at an annual rate of 10 percent. The United States exported more than 1 million tons of wheat to Indonesia during the 1980's. However, due to export subsidies from certain countries and questionable marketing techniques by wheat boards, U.S. wheat was not price competitive in the Indonesian market during most of the 1990's. U.S. wheat exports to Indonesia in 1995 have increased markedly as sales have benefited from a tight global supply situation and more attractive U.S. prices.

Feed Grains and Feed Ingredients: Indonesia's feed grains industry offers great potential for U.S. exports of feed grains (corn, sorghum, corn gluten and soybean meal). For example, corn imports are expected to increase from 500,000 tons in 1993 to 4.0 million tons by 2000. One of the ways that the GOI is trying to improve the average Indonesian diet is by lowering feed costs which, in turn, will encourage livestock and poultry production and lower meat and poultry prices. The GOI has stated that it is willing to apply a more open market-oriented approach in the distribution system which is controlled to some extent by the GOI.

Indonesia is a price conscious market and the majority of imports are currently from India, the PRC and other low cost suppliers. As the price difference with these competitors narrows, however, opportunities will exist for U.S. exporters. Due in large part to an extensive educational program by U.S. trade associations, Indonesian feed mills already know of the higher U.S. quality and are eager to buy whenever U.S. product is priced competitively.

Tobacco: Eighty percent of the male population in Indonesia smokes cigarettes. The increase in local production of tobacco is not expected to keep pace with a rising demand. U.S. flue-cured tobacco, however, faces keen competition from other suppliers. Although usually more expensive, U.S. flue-cured tobacco generally is regarded as superior in quality to that available from other suppliers. The Indonesian trend toward milder cigarettes and higher quality flue-cured tobacco favors U.S. export sales.

Livestock and Poultry: The livestock and poultry sectors are commercializing and expanding rapidly. The GOI is pursuing ways to lower feed costs and expand meat production in an attempt to improve Indonesian diets. Rising income levels combined with an increased availability of attractively priced meat has generated an annual growth in meat consumption of seven to eight percent. Nevertheless, meat continues to play only a modest role in the average Indonesian's diet. Per capita consumption of beef and poultry meat is estimated at 1.7 kilograms and 6.8 kilograms, respectively. Sales opportunities for U.S. exporters are brightest for genetics, breeding stock and technology.

Wood Products: Indonesia is the world's largest producer of plywood. Other downstream industries such as furniture for export have been developing as a result of the GOI's ban on the export of logs. Since furniture exports are directed to western markets, American hardwood finishes are

...Indonesia

preferred. Although the furniture industry is rather small, its capacity to expand rapidly presents an opportunity for U.S. suppliers of U.S. logs, lumber, veneer and panel products. Total export value for wood products to Indonesia in 1994 hit a record \$22.4 million. Exports during the first seven months of 1995 are again on a record setting pace having already reached \$20.5 million.

Fruit: Following the lifting of Indonesia's ban on imports of fresh fruit in 1991, U.S. sales have risen markedly. Fresh fruit export value to Indonesia in calendar 1994 is estimated at a record \$25.1 million. Export value during 1995 is running 60 percent above last year. U.S. high quality fresh fruit commands premium prices in the Indonesian market. Import duty levels are around 20 percent for most fresh fruit. Apple and grapes account for the lion's share of total fresh fruit export value. Citrus and stone fruit, however, have sales potential and promotional efforts are being undertaken.

Meat, Poultry, and Frozen French Fries: The demand for high quality U.S. beef and poultry meat has been increasing with the increasing number of restaurants and supermarkets. With the number of affluent Indonesians rising rapidly and the size of the tourism industry projected to double by the year 2000, demand for western food products also is increasing markedly.

The number of quick serve restaurants is increasing monthly with over 100 Kentucky Fried Chicken's, one of the world's largest McDonalds, and numerous outlets for Wendy's, Church's Fried Chicken, A & W, Ponderosa, Burger King, Dairy Queen, Arby's, Hoka-Hoka Bento (Japanese), Pizza Hut and others. Other restaurant franchises such as Hard Rock Cafe, Denny's, and Western Sizzler already have outlets and Planet Hollywood and Chili's will open soon. Modern supermarkets, stocked with high quality imported food products, can be found all over Jakarta and in the other major cities. Import duties for most meat and poultry

products fall in the 20 to 30 percent range.

Snack Foods: Although local snack foods made of corn and rice are relatively inexpensive and readily available, Indonesians are quickly developing a taste for western snack foods. Snack foods are an accepted part of the Indonesian diet. While some snack foods are imported, others are produced here from Unilever and Frito-Lay joint ventures. U.S. food ingredients are often used and are recognized for their quality and consistency. Tastes differ from those in the U.S. and products should be formulated accordingly. Sales of U.S. snack foods in Indonesia jumped from \$11.5 million in 1990 to a record \$58.7 million in 1994. Export sales in 1995 through July are running more than 50 percent of 1994. Import duties assessed against snack foods generally are around 30 percent.

Trade Promotion, Technical Assistance, and Credit Programs:

In 1994, the Office of Agricultural Affairs coordinated \$0.7 million in Foreign Market Development and \$1.2 million Market Promotion Program funds (a total of \$1.9 million), working with 14 different cooperators and participants. Major groups operating in Indonesia include the Cotton Council International, the American Soybean Association, U.S. Wheat Associates, U.S. Feed Grains Council, and the Washington State Apple Commission.

USDA also supports in-store supermarket promotions and trade fairs designed to expand U.S. food and beverage sales. Additionally, technical training opportunities are offered to Indonesians in a variety of related disciplines under the Cochran Middle-Income Program administered by FAS and the International Visitors Program through USIS.

For fiscal year 1995, USDA allocated to Indonesia a \$160 million credit guarantee line under the GSM-102 program. Total registrations for the

year, however, reached only \$109.5 million. It was comprised of cotton (\$12.6 million); feed grains (\$18.9 million); meat, frozen or chilled (\$1 million); oilseeds (\$54.5 million); and rice (\$22.5 million).

For more information, contact Ignacio Diaz at Tel: (202) 720-2841 or David Rosenbloom at (202) 690-1198.

U.S. Exports of Agricultural, Fish & Wood Products to INDONESIA

Calendar Years 1990 to 1995 and Year-to-Date Comparisons (\$1,000)

Product	Calendar Years					January-July		%
	1990	1991	1992	1993	1994	1994	1995	
Bulk Agricultural Total	231,893	250,340	273,019	265,164	355,275	179,742	321,838	79.1%
Wheat	30,083	1,997	918	7,037	7,133	4,195	14,437	244.1%
Coarse Grains	0	19	7	732	23,361	86	29,516 *	34220.9%
Rice	2,216	3,438	2,329	1,640	857	857	5,497	541.4%
Soybeans	14,103	25,512	54,366	106,691 *	78,314	32,334	22,618	-30.0%
Cotton	177,834	215,384	206,411	141,038	238,518	139,438	242,789 *	74.1%
Tobacco	7,519	3,838	8,476	7,267	6,445	2,691	6,722	149.8%
Pulses	0	0	0	46	0	0	0	NA
Peanuts	0	0	0	0	0	0	0	NA
Other Bulk Commodities	139	151	512	713	646	141	260	84.4%
Intermediate Agricultural Total	28,617	30,478	41,222	44,104	66,809 *	43,767	37,698	-13.9%
Wheat Flour	0	0	0	0	8	0	15	NA
Soybean Meal	12	3	4,591	0	3,952	3,952	0	-100.0%
Soybean Oil	103	227	240	250	377	227	269	18.5%
Other Vegetable Oils	126	152	333	966 *	371	251	503	100.4%
Feeds & Fodders (excl. pet foods)	10,050	7,701	13,551	15,004	22,516 *	16,056	10,163	-36.7%
Live Animals	3,299	3,160	2,758	3,966	4,770	2,828	3,523	24.6%
Hides & Skins	94	329	2,171 *	233	961	766	1,625	112.1%
Animal Fats	84	62	13	21	51	41	31	-24.4%
Planting Seeds	0	31	18	17	173	108	197 *	82.4%
Sugars, Sweeteners & Bever. Bases	5,391	9,559 *	5,387	7,497	6,245	5,158	3,441	-33.3%
Other Intermediate Products	9,457	9,253	12,161	16,150	27,385 *	14,380	17,930	24.7%
Consumer-Oriented Agricultural Total	11,530	17,304	27,855	32,992	58,744 *	29,889	45,435	52.0%
Snack Foods (excluding nuts)	446	296	411	1,180	1,835 *	933	859	-7.9%
Breakfast Cereals & Pancake Mix	39	59	142	187	164	98	102	4.1%
Red Meats, Chilled/Frozen	2,367	2,843	2,571	3,854	9,858 *	5,280	8,162	54.6%
Red Meats, Prepared/Preserved	413	98	161	443	135	89	33	-62.9%
Poultry Meat	223	307	1,003	533	3,565 *	1,528	1,250	-18.2%
Dairy Products	1,073	1,931	3,118	1,364	1,678	1,065	2,252	111.5%
Eggs & Products	0	0	33	88	97	41	148 *	261.0%
Fresh Fruit	2,047	6,319	13,443	16,107	25,102 *	13,246	21,252	60.4%
Fresh Vegetables	0	22	0	42	229 *	36	37	2.8%
Processed Fruit & Vegetables	2,410	3,227	4,182	5,939	7,417 *	4,060	4,490	10.6%
Fruit & Vegetable Juices	147	167	262	476	615	339	380	12.1%
Tree Nuts	523	352	424	993	1,835 *	952	805	-15.4%
Wine and Beer	77	23	41	80	68	68	43	-36.8%
Nursery Products & Cut Flowers	45	51	64 *	21	23	14	0	-100.0%
Pet Foods, Dog/Cat	251	282	424	416	528 *	305	524	71.8%
Other Consumer-Oriented Products	1,469	1,328	1,575	1,269	5,598	1,835	5,097	177.8%
Wood Products Total	7,745	9,585	18,777	17,013	22,338 *	13,226	20,523	55.2%
Logs	6,599	7,793	14,175	11,881	15,655 *	9,367	13,371	42.7%
Lumber	374	746	2,703	3,559	4,382 *	2,730	4,195	53.7%
Plywood & Panel Products	609	916	1,074	1,336	2,168	1,060	2,715 *	156.1%
Other Wood Products	162	130	826 *	237	133	69	242	250.7%
Fish & Seafood Products Total (Edible)	332	660	939	608	842	434	2,001 *	361.1%
Salmon, Whole/Eviscerated	101	141	0	0	3	0	0	NA
Salmon, Canned	0	0	0	0	0	0	0	NA
Crab & Crabmeat	0	0	0	0	59	59	63	6.8%
Surimi (fish paste)	N/A	N/A	0	0	0	0	0	NA
Roe & Urchin	0	0	0	0	0	0	0	NA
Other Edible Fish & Seafood Products	230	519	939	608	781	376	1,938 *	415.4%
Agricultural Product Total	272,040	298,122	342,096	342,260	480,828 *	253,398	404,971	59.8%
Agricultural, Fish & Wood Product Total	280,117	308,367	361,812	359,881	504,008 *	267,058	427,495	60.1%

Note: (*) Highest export level since at least 1970. N/A = not available, NA = not applicable.

Trade Policy and Market Updates

Indonesia Plans Liberalization of Soybean Meal

The Government of Indonesia has announced a full relaxation of restrictions on the importation of soybean meal effective April 1, 1996. The decision was based on a need to reduce the price of animal feed for the country's growing livestock industry. Currently, soybean meal importers in Indonesia can import only 80 percent of their needs, and are required to purchase the remaining 20 percent from domestic suppliers. Indonesia has taken several reform steps so far this year to reduce or eliminate tariffs, as well as quotas, in an effort to bring down domestic prices. Soybean meal imports have grown from 119,000 tons in marketing year 1991/92 to 600,000 tons in marketing year 1994/95. Most of Indonesia's soybean meal purchases have been from India followed by Brazil and China. U.S. sales have been limited to 20,000 tons in marketing year 1993/94 and marketing year 1994/95.

Peso Devaluation Eases Mexico From Third to Seventh Largest Horticultural Export Market

U.S. horticultural exports to Mexico during January-June 1995 declined to approximately \$138 million, 40 percent below the same 6-month period a year-earlier, while imports increased 21 percent to \$1.48 billion. The disappointing sales pattern largely results from a decline in Mexican consumer purchasing power following the December 1994 devaluation of the peso. Apple and pear shipments to Mexico during the first half of calendar 1995 totaled 54,519 tons and 14,678 tons, respectively, a decline in both cases of 55 percent from volumes shipped in the previous year. The outlook calls for a gradual recovery in sales during the coming 1995/96 shipping season. Exports of frozen french fries fell 52 percent to 2,844 tons, while shipments of potatoes (excluding seed) declined 32 percent to total 6,059 tons. Almond exports totaled 1,057 tons, off 70 percent. Pecan shipments accelerated in June to reach 937 tons, but still remained 65 percent below the previous year's pace. Hop extract exports totaled 467 tons, down 68 percent, but value was up 3 percent to \$8.6 million. The GSM credit guarantee program for hops has helped maintain the U.S. presence in Mexico's market. On the import side, Mexico's huge trade surplus in horticultural products widened. Six commodities accounted for nearly half the value of total U.S. horticultural product imports from Mexico during the January-June period (value and percent increase/decrease from previous year in parenthesis): tomatoes (\$275 million, +15 percent), beer (\$115 million, +21 percent), peppers (\$90 million, +17 percent), cucumbers (\$88 million, +27 percent), onions (\$74 million, -9 percent), and squash (\$58 million, +46 percent).

Thailand Increases Market Access for Soybeans and Soybean Meal

Thailand is considering changes to its soybean and soybean meal import quotas and duties that will likely improve market access and opportunities for additional U.S. exports of these commodities. For marketing year 1995/96, Thailand imposed quotas on the import of soybeans and soybean meal of 167,000 and 550,000 tons, and an in-quota tariff of 5 and 15 percent, respectively. The above-quota tariff for soybeans was set at 89 percent, and for soybean meal, it was set at 119 percent. Due to increased demand and a crop shortfall, Thailand allowed the importation of 222,000 tons of soybeans (of which 80 percent were of U.S. origin) at the within-quota duty of 5 percent, thereby effectively raising the soybean quota. Soybean processors are now seeking an additional 19,000 tons of low-tariff soybean imports, which if approved, will sufficiently cover demand this year.

For soybean meal, the Government of Thailand recently approved up to 850,000 tons of low-tariff imports. Moreover, the Government is now considering a reduction in the duty on above-quota soybean meal imports to 18 percent in response to increased meat, poultry and egg prices. Last year, Thailand imported about 900,000 tons of soybean meal. Demand potential for soybean meal in marketing year 1995/96 is estimated at about 1 million tons.

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High Prices Entice Bulgaria Into Exporting Wheat

With prices at their highest levels of the 1990's, the strong world demand for wheat has resulted in new suppliers entering into the market. In eastern Europe, Bulgaria is well on its way to exporting half-a-million tons of wheat and flour, primarily from their 1994 crop. Turkey, a traditional market for Bulgarian wheat, is again a major export destination. Export sales have also been completed to a range of markets throughout North Africa and the Middle East. A reduced domestic use of grain, rather than production gains has made this export position possible for Bulgaria.

United States Temporarily Halts Imports of Mexican Cattle and Horses

Imports of Mexican cattle and horses for immediate slaughter are now banned. The action was taken by APHIS in response to the recent detection of prohibitive levels of coumaphos in meat from these types of animals. The residue source was identified with the use of coumaphos in animal-dip vats along the U.S.-Mexican border. A temporary 30-day ban, initiated September 15, allows for the utilization of new, replacement chemicals. The import prohibition does not apply to other kinds of Mexican cattle and horses. The United States imported from Mexico nearly 70,000 head of cattle and 7,500 horses for immediate slaughter from January to August 1995.

Russian Government Prepared to Import to Meet Domestic Livestock Needs

Russia's First Deputy Prime Minister Aleksandr Zaveryukha has acknowledged that the country's livestock production meets only 70 percent of domestic demand. The remaining 30 percent will be imported. Russian input and output prices have now reached world levels, forcing many livestock producers and processors out of business. According to FAS estimates, Russian poultry meat production fell by 8.4 percent in 1994 and is expected to fall an additional 5 percent in 1995.

U.S. meat and poultry exports to Russia are rapidly growing and diversifying. Total export value reached \$348 million in the first half of 1995. Comparing U.S. exports during the first half of 1995 with the same 6-month period in 1994, poultry meat rose from \$136 million to \$241 million; pork and variety meats from \$12 million to \$77 million; and beef, veal, and beef variety meats from \$8 million to \$30 million. U.S. exports of turkey also grew, tripling from \$3.3 million to \$10 million.

Colombia Lifts Ban on Imports of U.S. Meat and Poultry Products

Colombian agricultural authorities recently agreed to remove its ban on U.S. beef, pork, and poultry shipped by USDA inspected plants. The ban was imposed in 1993. The initial certification for approved plants will last for two years. Renewal of plant certification reportedly will require visits by Colombian Agricultural Institute officials to U.S. meat and poultry processing facilities. The repeal of the import ban represents the removal of a scientifically unsound sanitary barrier to trade in U.S. livestock products.

U.S. sales initially were slowed by the imposition of the import ban. Poor enforcement, however, enabled U.S. exports to continue and gradually expand. U.S. poultry exports increased from \$2.1 million in the first half of 1994 to \$5.5 million in the first half of 1995, while beef products rose from \$1.8 million to \$2.4 million, and pork product exports increased from \$1.6 million to \$4.2 million. Termination of the ban will improve the ability of the U.S. industry to meet Colombia's market needs.

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Government of Mauritius Clears Way for Possible Importation of U.S. Wheat

On September 11, the Government of Mauritius agreed to accept APHIS certification on imports of U.S. wheat. The EU and Australia have been the sole suppliers to this 80,000 ton wheat market. In August 1995, Mauritius agreed to include U.S. origin wheat in its tenders provided certain phytosanitary conditions were met. Based on information provided by APHIS, which allayed Mauritian fears that the importation of U.S. wheat might transmit diseases to their domestic sugarcane crop, the Mauritian Plant Quarantine Services has agreed to accept U.S. wheat.

EU Exports Wheat at Zero Restitution

The EU continues to export wheat despite extremely low intervention stocks and high domestic prices. A zero export restitution (subsidy) was granted on 500,000 tons of wheat sold to North Africa and Cuba (140,000 tons are expected to cover a recent sale to Morocco). This brings total export licenses with a zero restitution to 900,000 tons. The EU Agricultural Commission is attempting to maintain tight control over exports by limiting the license validity period to only three days compared to the typical five month period. The EU is expected to open a tender in mid-October to export 500,000 tons of intervention wheat to African, Caribbean, and Pacific (ACP) countries.

Prune Exports Get Boost From Malaysia's Tariff Action

The Government of Malaysia has decided to reclassify imported dried prunes from Chapter 20 to Chapter 8 of the Harmonized Tariff Schedule. This move will reduce the applied tariff rate from 20 percent to 10 percent. The action follows months of coordinated effort by the Agricultural Attache in Kuala Lumpur, FAS/Washington, and the industry to secure the reclassification. Annual shipments currently fall below \$1 million. The U.S. industry, however, believes that the lower duty will provide significant new sales opportunities. Malaysia is a rapidly expanding market for U.S. horticultural products, with total export value estimated at \$63 million in calendar 1994, up 115 percent from 1990.

Taiwan Technical Talks Benefit U.S. Apples and Potatoes

Further progress was made on Taiwanese apple and potato access issues during a round of technical talks in early September. For apples, the U.S. waiver on Taiwan's codling moth regulation was confirmed for the 1995 shipping season. Discussions identified options for maintaining continued access for U.S. apples in 1996 and future years. For U.S. tablestock potatoes, discussions focused on Taiwan's additional information needs for evaluating access requests of three additional states: Massachusetts, Montana and Colorado. For U.S. seed potatoes from Alaska, the Taipei Economic and Cultural Representatives Office indicated it would soon publish a rule permitting access.

Mexico Expands This Year's Duty-Free Corn Import Quota

The Government of Mexico has increased its duty-free corn quota under the NAFTA for calendar 1995 to 3.112 million tons. Under the NAFTA, the United States was provided duty-free access to the Mexican market for 2.575 million tons of corn for calendar 1995, with an above quota tariff of 206 percent. However, weather and credit-related problems lowered domestic production prospects and prompted the Government of Mexico to expand the duty-free quota level. Mexico has imported approximately 1.5 million tons of U.S. corn thus far in calendar 1995, with an additional 600,000 tons in outstanding commitments.

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U.S. Wine Export Value Surges To Record Level for 11th Consecutive Year

U.S. wine exports surged to \$209.6 million during marketing year 1994/95 (Aug/Jul), a 15-percent jump over the preceding year. This represents the eleventh consecutive record-breaking season. In volume terms, shipments were 1.33 million hectoliters, only slightly below the record of 1.34 million hectoliters set in 1992/93. An important feature of the wine export story is the shift toward higher value varietal wines, a point borne out in the most recent trade data. The consistent high quality and growing reputation of U.S. varietal wines are winning share in an increasingly competitive world market. More higher quality wine is available at a time of shrinking per capita demand in most export markets.

Growth in U.S. exports has been assisted by the Market Promotion Program (MPP). Impressive annual gains during 1994/95 were registered in the major MPP markets of Canada (up 9 percent), the United Kingdom (up 42 percent), and Japan (up 29 percent). Together, these three markets accounted for 62 percent of total export value and 57 percent of total volume for the period. The export base for U.S. wine, however, continues to broaden thanks to the development of significant new markets. Although much smaller in absolute terms than the big three, increased sales volumes were recorded in Switzerland, Australia, Thailand, Taiwan, Singapore, Brazil, and Korea. For the future, innovative marketing strategies and considerable resources will need to be targeted to realize the potential of the emerging markets of economically dynamic Asia and Southeast Asia.

Syria Exports Wheat for the First Time in Twenty Years

Syria recently sold 55,000 tons of hard wheat to several European buyers at \$225 per ton, FOB Syrian ports. The wheat is expected to be shipped to North Africa in October. The General Establishment for Cereal Processing and Trade, the Syrian state trading body, is tendering for an additional 100,000 tons for November export shipment. Surplus production has increased stock levels in recent years, with Syria now holding close to a year of domestic use in reserve. Prompted by strong world prices, exports in 1995/96 could rise to as much as half a million tons. However, infrastructure bottlenecks could constrain Syria's export shipment pace.

Mexico's Orange Juice Production and Export Forecasts at Record Levels for 1995

Mexico's orange juice production estimate for 1995 has been increased from 40,000 tons to a record 73,000 tons (65 degrees brix). The devaluation of the peso in December 1994, attractive international frozen concentrate orange juice prices, and a weakened domestic consumer demand for fresh oranges due to a recession prompted an increase in the volume of oranges utilized by processors than initially anticipated. Many juice plants that had not operated in 1994 resumed processing this year due to the more favorable situation. The amount of oranges processed in 1995 is estimated at 700,000 tons, 75 percent above the previous forecast.

Mexico's 1995 orange juice export forecast has been increased from 38,000 tons to a record 68,000 tons. The increase in the industry's exportable supplies will be directed at filling the U.S. tariff-rate quota under NAFTA as well as expanded shipments to the European Union, Canada, and Japan. Trade sources estimate Mexican orange juice exports to the United States in 1995 at 40,000 to 45,000 tons compared with about 33,000 tons shipped in 1994. Exports to other destinations, directed primarily to the European Union, are expected to more than triple from a year ago, ranging between 20,000 and 27,000 tons. Mexico will be the world's third largest exporter of orange juice in 1995, preceded by the United States (with exports forecast at 85,000 tons) and Brazil (with exports forecast at 970,000 tons).

...Trade Policy and Market Updates

EU Sets Grain Set-Aside at 10 Percent

Despite political and market pressure to reduce the set-aside rate to as low as six percent, the EU Council of Agricultural Ministers agreed to a rate of 10 percent. Based upon this decision, about 1.6 million hectares will likely be brought back into production which potentially could boost grain output more than eight million tons next year. The additional grain output could help dampen high internal prices and provide additional exportable supplies.

Colombia To Implement Preshipment Inspection of Imported Horticultural and Other Agricultural Products

Colombia's Ministry of Finance issued a decree on Sept. 18, 1995, that will permit International Certification Societies (ICS) to perform, on behalf of the Government of Colombia (GOC) preshipment inspections. The new inspection system, which is to be effective November 1, will impact a number of horticultural and other agricultural products, including fruit juices, onions, garlic, confectionery, baby food, marmalades, and purees. Other commodities affected include a range of grain, meat, and oilseed products. According to Census Bureau statistics, U.S. export value for targeted commodities exceeded \$115 million in calendar year 1994. The need to improve efficiencies and reduce corruption has been cited as the basis for this new policy. Importers, however, have expressed concern that the preshipment inspections will increase bureaucratic delays and import costs. To date, the GOC has approved two ICSs.

The ICS is authorized to issue certificates of inspection covering place of origin, bill of lading and normal values, sanitary condition, tariff classification, and any other product specific import requirement such as approving expiration dates on food products. The ICS reportedly will be permitted to charge up to one percent of the FOB value of the shipment for their services. The GOC reportedly will assess a fine of 1.2 percent of the FOB value for all imports entering during November which do not have an accompanying inspection certificate. Beginning in December 1995, however, the lack of a certificate will result in the shipment being refused entry. Despite initial trade reports to the contrary, the Agricultural Attache has confirmed that apples and pears will not be covered under the new system. U.S. exports of apples and pears to Colombia were valued at more than \$5 million in calendar 1994.

U.S. Exports of Agricultural, Fish & Wood Products to All Countries

Calendar Years 1990 to 1995 and Year-to-Date Comparisons (\$1,000)

Product	Calendar Years					January-July		% Chg
	1990	1991	1992	1993	1994	1994	1995	
Bulk Agricultural Total	20,232,083	18,348,386	19,687,248	18,593,458	18,951,466	10,126,386	14,024,033	38.5%
Wheat	3,839,037	3,292,138	4,449,324	4,664,582	4,056,007	2,126,663	2,595,249	22.0%
Coarse Grains	7,036,717	5,722,597	5,736,599	5,000,598	4,731,925	2,440,531	4,196,055	71.9%
Rice	801,527	753,557	726,072	771,312	1,010,548	587,275	565,140	-3.8%
Soybeans	3,549,508	3,956,443	4,380,402	4,598,746	4,330,427	2,143,135	2,854,948	33.2%
Cotton	2,798,495	2,491,999	2,010,338	1,540,678	2,676,263	1,613,274	2,506,644	55.4%
Tobacco	1,441,116	1,427,631	1,650,559 *	1,306,067	1,302,745	816,511	817,770	0.2%
Pulses	353,111	268,414	191,656	213,254	280,649	119,255	142,859	19.8%
Peanuts	203,373	180,304	240,308	204,576	187,552	81,639	146,747	79.8%
Other Bulk Commodities	209,199	255,304	301,989	293,645	375,352	198,103	198,622	0.3%
Intermediate Agricultural Total	8,573,907	8,789,224	9,231,134	8,973,466	9,749,696 *	5,282,486	6,541,415	23.8%
Wheat Flour	182,956	184,256	184,317	205,729	211,248	127,197	151,539	19.1%
Soybean Meal	1,005,103	1,155,307	1,294,722	1,132,041	958,920	545,582	650,141	19.2%
Soybean Oil	312,930	222,126	376,202	363,897	525,077	186,148	530,376	184.9%
Other Vegetable Oils	394,790	418,144	502,732	543,897	671,187 *	334,689	558,370	66.8%
Feeds & Fodders (excl. pet foods)	1,572,369	1,605,732	1,722,327	1,744,163 *	1,738,454	1,003,173	1,088,656	8.5%
Live Animals	513,783	686,563 *	607,891	518,927	587,352	276,019	221,188	-19.9%
Hides & Skins	1,729,731	1,357,570	1,326,054	1,268,658	1,507,616	851,272	1,048,396	23.2%
Animal Fats	428,729	426,824	515,214	501,702	598,546	298,104	490,178	64.4%
Planting Seeds	588,723	671,655	675,011 *	619,359	648,614	364,211	382,125	4.9%
Sugars, Sweeteners & Bever Bases	572,052	634,101	573,921	567,807	656,761	372,206	376,425	1.1%
Other Intermediate Products	1,272,743	1,426,946	1,452,744	1,507,288	1,645,921 *	923,884	1,044,021	13.0%
Consumer-Oriented Agricultural Total	10,465,615	11,967,920	13,895,994	14,911,316	16,988,134 *	9,164,520	10,421,315	13.7%
Snack Foods (excluding nuts)	530,125	633,040	829,679	1,024,643	1,101,668 *	579,753	544,973	-6.0%
Breakfast Cereals & Pancake Mix	157,882	216,802	219,762	252,993	291,979 *	163,289	145,397	-11.0%
Red Meats, Chilled/Frozen	2,394,495	2,660,267	3,112,361	3,055,222	3,383,394 *	1,820,825	2,292,829	25.9%
Red Meats, Prepared/Preserved	135,998	165,101	181,562	220,038	253,621 *	132,034	145,624	10.3%
Poultry Meat	672,888	817,913	928,464	1,100,613	1,570,414 *	820,228	1,060,828	29.3%
Dairy Products	328,053	462,956	793,754	857,487 *	753,257	423,613	462,548	9.2%
Eggs & Products	101,979	143,367	139,234	139,438	164,653	89,520	90,689	1.3%
Fresh Fruit	1,486,489	1,561,053	1,683,344	1,707,147	1,953,767 *	1,108,279	1,168,524	5.4%
Fresh Vegetables	728,648	832,935	899,624	985,953	1,046,789 *	624,213	724,332	16.0%
Processed Fruit & Vegetables	1,246,753	1,394,490	1,558,121	1,639,583	1,720,891 *	922,059	1,084,027	17.6%
Fruit & Vegetable Juices	375,497	385,414	461,017	469,517	543,013 *	314,923	391,475	24.3%
Tree Nuts	801,120	867,704	928,531	998,246	1,106,416 *	525,946	504,356	-4.1%
Wine and Beer	266,202	315,756	369,181	379,301	532,735 *	303,435	357,786	17.9%
Nursery Products & Cut Flowers	186,741	201,442	201,321	209,397 *	197,985	121,116	119,154	-1.6%
Pet Foods, Dog/Cat	244,038	329,772	399,630	497,621	577,943 *	317,255	356,001	12.2%
Other Consumer-Oriented Products	808,706	979,907	1,190,410	1,374,116	1,789,607 *	898,032	972,773	8.3%
Wood Products Total	6,481,227	6,429,179	6,741,685	7,281,313 *	7,029,961	4,020,760	4,358,797	8.4%
Logs	2,388,921	2,074,432	2,140,010	2,489,560 *	2,277,981	1,311,318	1,474,087	12.4%
Lumber	2,127,895	2,203,353	2,322,491	2,449,643 *	2,428,150	1,419,593	1,490,026	5.0%
Plywood & Panel Products	769,983	735,227	847,867	906,397	944,360 *	529,693	579,261	9.4%
Other Wood Products	1,194,428	1,416,167	1,431,317	1,435,714 *	1,379,471	760,156	815,424	7.3%
Fish & Seafood Products Total (Edible)	2,776,759	3,035,383	3,353,935 *	2,959,086	3,002,265	1,677,054	1,857,562	10.8%
Salmon, Whole/Eviscerated	666,582	436,975	681,663	583,060	518,413	259,918	343,556	32.2%
Salmon, Canned	104,276	133,644	154,401	160,416	161,577 *	63,046	72,960	15.7%
Crab & Crabmeat	363,251	431,411	448,050 *	417,660	349,136	254,235	145,549	-42.8%
Surimi (fish paste)	N/A	N/A	367,627 *	274,322	318,850	136,768	186,807	36.6%
Roe & Urchin	289,458	389,031	421,396 *	415,319	408,963	238,552	324,274	35.9%
Other Edible Fish & Seafood Products	1,353,193	1,644,322 *	1,280,798	1,108,309	1,245,325	724,533	784,416	8.3%
Agricultural Product Total	39,271,605	39,105,530	42,814,376	42,478,240	45,689,296 *	24,573,392	30,986,763	26.1%
Agricultural, Fish & Wood Product Total	48,529,591	48,570,092	52,909,996	52,718,639	55,721,512 *	30,271,206	37,203,122	22.9%

Note: (*) Highest export level since at least 1970; N/A = not available; NA = not applicable

U.S. Exports of Agricultural, Fish & Forest Products by Major Group

Monthly and Annual Performance Indicators

Export Values	July			October-July			Fiscal Year			
	1994	1995	Chg	FY '94	FY '95	Chg	1994	1995(f)	1996(p)	Chg
	-- \$Billion --			-- \$Billion --			----- \$Billion -----			95/96
Grains and Feeds 1/	0.951	1.409	48%	11.209	13.965	25%	13.413	16.9	17.5	4%
Wheat & Flour	0.261	0.402	54%	3.466	3.998	15%	4.228	5.0	5.4	8%
Rice	0.087	0.073	-16%	0.796	0.893	12%	0.891	1.0	1.0	0%
Coarse Grains 2/	0.308	0.636	106%	3.854	5.772	50%	4.569	7.0	7.1	1%
Corn	0.258	0.586	127%	3.223	5.144	60%	3.817	6.2	6.4	3%
Feeds & Fodders	0.185	0.187	1%	1.917	2.080	9%	2.277	2.5	2.6	4%
Oilseeds and Products	0.324	0.519	60%	5.962	7.829	31%	6.975	8.7	8.9	2%
Soybeans	0.119	0.261	120%	3.632	4.514	24%	4.161	5.0	5.3	6%
Soybean Cakes & Meals	0.070	0.082	17%	0.876	0.926	6%	1.013	1.0	1.0	0%
Soybean Oil	0.018	0.029	65%	0.314	0.750	139%	0.433	0.8	0.6	-25%
Other Vegetable Oils	0.060	0.075	24%	0.497	0.784	58%	0.608	N/A	N/A	N/A
Livestock Products	0.519	0.654	26%	5.135	6.423	25%	6.320	7.3	7.6	4%
Red Meats	0.265	0.354	33%	2.589	3.262	26%	3.206	3.8	3.9	3%
Hides, Skins & Furs	0.126	0.152	21%	1.153	1.435	24%	1.423	1.7	1.8	6%
Poultry Products	0.144	0.202	41%	1.410	1.820	29%	1.720	2.2	2.4	9%
Poultry Meat	0.113	0.175	55%	1.132	1.532	35%	1.383	N/A	N/A	N/A
Dairy Products	0.057	0.061	7%	0.699	0.668	-5%	0.832	0.8	0.9	13%
Unmanufactured Tobacco	0.062	0.065	5%	1.137	1.181	4%	1.260	1.3	1.3	0%
Cotton and Linters	0.224	0.135	-40%	1.998	3.261	63%	2.306	3.7	2.9	-22%
Planting Seeds	0.031	0.037	20%	0.546	0.598	9%	0.619	0.7	0.7	0%
Horticultural Products	0.679	0.726	7%	6.696	7.682	15%	8.098	9.4	10.3	10%
Sugar & Tropical Products	0.156	0.156	0%	1.611	1.606	0%	1.928	2.0	2.0	0%
Forest Products 4/	0.586	0.553	-6%	5.734	6.156	7%	6.946	N/A	N/A	N/A
Fish and Seafood Products 4/	0.367	0.458	25%	2.249	2.520	12%	2.912	N/A	N/A	N/A
Total Agriculture	3.147	3.965	26%	36.403	45.031	24%	43.474	53.0	54.5	3%
Total Ag., Fish & Forest	4.100	4.976	21%	44.386	53.706	21%	53.333	N/A	N/A	N/A

Export Volumes	--- MMT---			--- MMT---			----- MMT-----			
			Chg			Chg				Chg
										95/96
Grains and Feeds 1/	6.179	9.253	50%	72.834	95.497	31%	88.581	N/A	N/A	N/A
Wheat	1.805	2.412	34%	25.103	25.320	1%	31.132	31.0	30.5	-2%
Wheat Flour	0.135	0.099	-27%	0.861	0.993	15%	1.037	1.2	1.0	-17%
Rice	0.213	0.267	25%	2.117	3.284	55%	2.438	3.6	3.4	-6%
Coarse Grains 2/	2.897	5.294	83%	32.805	52.712	61%	39.845	61.8	56.5	-9%
Corn	2.361	4.876	106%	27.246	46.961	72%	33.057	55.0	51.0	-7%
Feeds & Fodders	0.957	1.001	5%	10.040	11.148	11%	11.797	13.3	13.3	0%
Oilseeds and Products	1.044	1.864	79%	20.646	29.493	43%	24.154	32.4	31.2	-4%
Soybeans	0.465	1.123	142%	14.107	20.389	45%	16.364	22.5	21.8	-3%
Soybean Cakes & Meals	0.363	0.469	29%	4.169	5.270	26%	4.859	5.7	5.3	-7%
Soybean Oil	0.026	0.041	58%	0.495	1.130	128%	0.694	1.2	1.0	-17%
Other Vegetable Oils	0.082	0.107	30%	0.690	1.095	59%	0.849	N/A	N/A	N/A
Livestock Products 3/	0.234	0.296	26%	2.413	3.062	27%	2.957	N/A	N/A	N/A
Red Meats	0.088	0.104	18%	0.830	1.020	23%	1.025	1.2	1.2	0%
Poultry Products 3/	0.112	0.194	73%	1.143	1.600	40%	1.405	N/A	N/A	N/A
Poultry Meat	0.109	0.191	75%	1.110	1.564	41%	1.364	1.8	2.0	11%
Dairy Products 3/	0.044	0.046	2%	0.399	0.467	17%	0.467	N/A	N/A	N/A
Unmanufactured Tobacco	0.010	0.009	-12%	0.177	0.176	-1%	0.196	N/A	N/A	N/A
Cotton & Linters	0.143	0.072	-50%	1.439	1.935	34%	1.639	2.1	1.7	-19%
Planting Seeds	0.064	0.050	-22%	0.453	0.424	-6%	0.498	N/A	N/A	N/A
Horticultural Products 3/	0.581	0.565	-3%	5.465	6.035	10%	6.560	7.5	8.0	7%
Sugar & Tropical Products 3/	0.107	0.094	-12%	1.102	0.910	-17%	0.910	N/A	N/A	N/A
Total Agriculture 3/	8.519	12.441	46%	106.072	139.599	32%	127.414	163.1	156.5	-4%

Notes: 1/ Includes pulses, corn gluten feed and meal; 2/ includes corn, oats, barley, rye and sorghum; 3/ includes only those items measured in metric tons; 4/ items not included in agricultural product totals. N/A = not available.

FY 1995 forecasts (f) and FY 1996 projections (p) are based on USDA's "Outlook for Agricultural Exports," published August 31, 1995.

U.S. Agricultural Export Value by Region

Monthly and Annual Performance Indicators

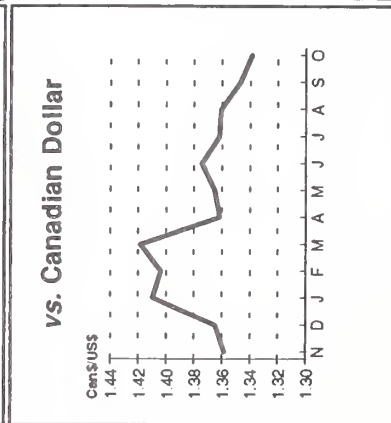
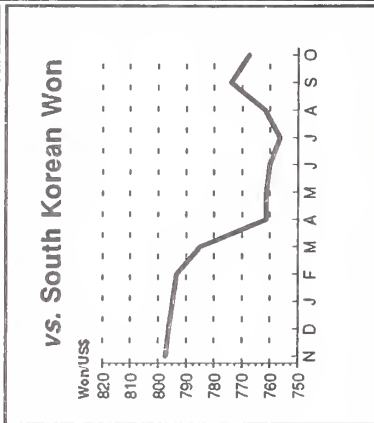
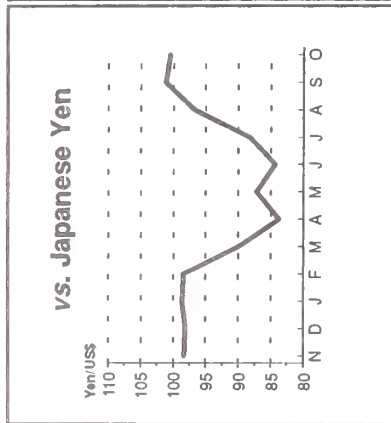
	July			October-July			Fiscal Year		
	1994	1995	Chg	FY '94	FY '95	Chg	1994	1995(f)	Chg
	-- \$Billion --			-- \$Billion --			-- \$Billion --		
Western Europe	0.376	0.483	29%	6.037	7.322	21%	7.013	8.5	21%
European Union 1/	0.356	0.461	29%	5.816	7.037	21%	6.741	8.1	20%
Other Western Europe	0.020	0.023	14%	0.221	0.285	29%	0.272	0.4	47%
Central & Eastern Europe	0.017	0.019	11%	0.261	0.244	-6%	0.310	0.3	-3%
Former Soviet Union	0.066	0.084	28%	1.290	0.927	-28%	1.474	1.1	-25%
Russian Federation	0.026	0.063	145%	1.008	0.742	-26%	1.095	0.8	-27%
Asia	1.345	1.878	40%	14.815	19.982	35%	17.671	23.5	33%
Japan	0.648	0.892	38%	7.796	8.679	11%	9.193	9.9	8%
China	0.128	0.154	21%	0.667	2.049	207%	0.877	2.5	185%
Other East Asia	0.403	0.620	54%	4.361	6.291	44%	5.261	7.4	41%
Taiwan	0.129	0.195	51%	1.780	2.139	20%	2.103	2.4	14%
South Korea	0.176	0.306	74%	1.688	2.954	75%	2.055	3.5	70%
Hong Kong	0.097	0.119	22%	0.891	1.191	34%	1.101	1.5	36%
Other Asia	0.167	0.213	27%	1.992	2.963	49%	2.340	3.7	58%
Pakistan	0.001	0.006	523%	0.205	0.347	69%	0.212	0.5	135%
Philippines	0.039	0.056	43%	0.451	0.551	22%	0.554	0.7	26%
Middle East	0.129	0.211	63%	1.388	2.013	45%	1.650	2.3	39%
Israel	0.038	0.050	34%	0.300	0.379	26%	0.346	0.5	44%
Saudi Arabia	0.025	0.046	88%	0.391	0.406	4%	0.470	0.5	6%
Africa	0.143	0.186	30%	1.777	2.326	31%	2.159	2.9	34%
North Africa	0.103	0.129	25%	1.184	1.656	40%	1.438	2.1	46%
Egypt	0.040	0.096	143%	0.471	1.045	122%	0.598	1.4	134%
Algeria	0.038	0.026	-30%	0.501	0.408	-18%	0.592	0.5	-16%
Sub-Saharan Africa	0.040	0.057	44%	0.593	0.670	13%	0.721	0.8	11%
Latin America	0.592	0.582	-2%	5.877	6.584	12%	7.228	7.8	8%
Mexico	0.371	0.262	-29%	3.306	2.998	-9%	4.126	3.5	-15%
Other Latin America	0.220	0.320	45%	2.570	3.587	40%	3.103	4.3	39%
Brazil	0.013	0.017	37%	0.186	0.564	204%	0.227	0.7	209%
Venezuela	0.016	0.042	159%	0.343	0.406	18%	0.401	0.5	25%
Canada	0.437	0.460	5%	4.360	4.895	12%	5.248	5.9	12%
Oceania	0.037	0.033	-12%	0.410	0.469	14%	0.497	0.7	41%
World Total	3.148	3.965	26%	36.404	45.033	24%	43.474	53.0	22%

Note: 1/ EU-15 includes the newest member states of Austria, Finland and Sweden.

FY 1995 forecasts (f) are based on USDA's "Outlook for U.S. Agricultural Exports," published August 31, 1995.

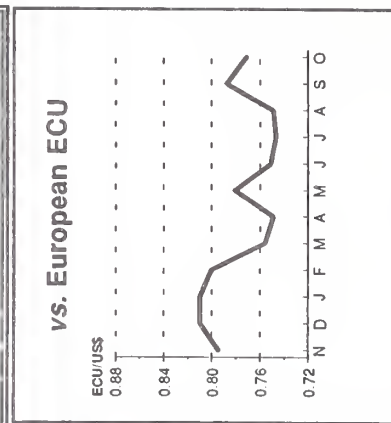
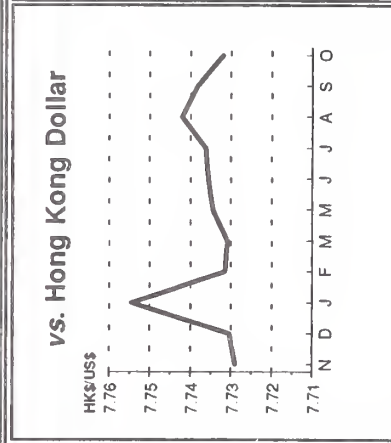
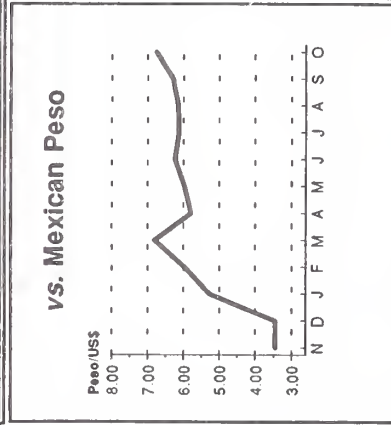
Value Of U.S. Dollar Against Major World Currencies

Daily Spot Quotations & Monthly Averages



Currencies	Current Rate 10/17/95	Month Ago 9/18/95	Year Ago 10/94	% Change Year Ago 10/94
Argentine Peso	1.0000	1.0000	.99	1.01
Australian Dollar	1.3276	1.3237	1.3541	-1.96
Brazilian Real	.9581	.9516	.85	12.72
Canadian Dollar	1.3383	1.3623	1.3512	-0.95
Hong Kong Dollar	7.7320	7.7355	7.7273	0.06
Japanese Yen	100.44	103.35	98.21	2.27
Mexican Peso	6.7500	6.2850	3.4168	97.55
Taiwan Dollar	26.959	27.500	26.12	3.21
South Korean Won	767.35	770.10	798.94	-3.95
European ECU	.77089	.79089	.79450	-2.97
-British Pound	.6355	.6460	.6207	2.38
-French Franc	4.9660	5.1030	5.1786	-4.10
-German Mark	1.4147	1.4825	1.5157	-6.66

NOTE: Exchange rates are daily spot quotes as of 3:00 PM Eastern Time, October 17, 1995.
Source: TEAD/ITP/FAS Exchange Rate Database and Wall Street Journal.



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Agricultural Trade Highlights Staff includes:

Production Assistants

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